

***Effective 5/13/2014***

**38-1a-503 Relation back and priority of liens.**

- (1) A construction lien relates back to, and takes effect as of, the time of the first preliminary notice filing.
- (2)
  - (a) Subject to Subsection (2)(b), a construction lien has priority over:
    - (i) any lien, mortgage, or other encumbrance that attaches after the first preliminary notice filing; and
    - (ii) any lien, mortgage, or other encumbrance of which the claimant had no notice and which was unrecorded at the time of the first preliminary notice filing.
  - (b) A recorded mortgage or trust deed that secures a construction loan attaches immediately before the first preliminary notice filing for the construction project if each claimant that has a preliminary notice on file on the construction project before the mortgage or trust deed was recorded receives full payment for all construction work the claimant performed before the mortgage or trust deed was recorded, regardless of whether the claimant receives full payment before or after the day on which the mortgage or trust deed is recorded.

Amended by Chapter 293, 2014 General Session